

RULES AND REGULATIONS
OF SEA GLASS, PHASE 1, A CONDOMINIUM
(EFFECTIVE _____, 2019)

The facilities of Sea Glass, Phase 1, a Condominium (the "Condominium") are for the use of Condominium Unit Owners and their families, guests, invitees, employees, Occupants or tenants. In addition to those rules and regulations contained in the Declaration of Condominium of Sea Glass, Phase 1, a Condominium (the "Declaration") (capitalized words have the same meaning as those contained in the Declaration unless the content otherwise requires), the following rules are hereby adopted by Sea Glass Condominium Association, Inc. (the "Association"):

1. Each Unit is restricted to residential use, and the Common Elements and Limited Common Elements shall be used in accordance with the Rules and Regulations of the Association. The restriction that a Unit can only be used for residential usage shall not preclude a Unit Owner or Occupant from maintaining a personal professional library in his Unit, nor preclude him from keeping his personal business records or handling his personal business telephone calls or correspondence, or from renting or leasing his Unit.

2. There shall be no obstruction of the Common Elements or Limited Common Elements, nor shall anything be kept or stored in the Common Elements or Limited Common Elements except in approved storage areas, nor shall anything be constructed on or planted in or removed from the Common Elements or Limited Common Elements, nor shall the Common Elements or Limited Common Elements in any other way be altered without the prior written consent of the Association. Neither the Common Elements nor Limited Common Elements can be used for commercial purposes except as otherwise set forth in the Declaration.

3. No immoral, improper, offensive or unlawful use shall be made of any Unit or the Common Areas, or any part thereof, including Limited Common Areas, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction over the Condominium Property shall be observed. No boisterous or rough play shall be permitted in the hallways, elevators, corridors, lobbies, parking areas, pool areas, or other Common Areas or Limited Common Areas.

4. No Unit Owner or Occupant shall permit anything to be done or kept in a Unit or in the Common Areas or Limited Common Areas which will result in any increase of fire, liability or hazard insurance premiums or the cancellation of insurance on any part of the Condominium Property, or which would be in violation of any law. No waste shall be committed to the Common Elements or Limited Common Elements.

5. No Sign, including without limitation, "For Sale" or "For Rent", or similar type sign of any kind, shall be displayed to the public view on or from any part of the Condominium Property. All signs must have the prior written consent of the Board of Directors of the Association EXCEPT signs used by the Declarant in the selling or leasing of Units or signs used in accordance with the Declaration.

6. No one shall make or permit any noxious or offensive activities to be carried on, nor shall any outside lighting or sound speakers or other sound producing devices be used, nor shall anything be done which will interfere with the rights of others, nor shall anything be done on any part of the Condominium Property which, in the judgment of the Board of Directors of the Association, may be

or become an unreasonable annoyance or nuisance to the other Unit Owners or Occupants.

7. No Owner shall cause or permit anything to be placed on the outside walls of any Owner's Unit and no sign, awning, canopy, window air conditioning unit, shutter, TV antenna, satellite dish or other fixture shall be affixed to or placed upon the exterior walls, balconies or roof of any building, or any part thereof, without the prior written consent of the Board of Directors of the Association. This restriction is not intended to prohibit the Declarant or the Association from placing, erecting or affixing telecommunications equipment and fixtures on the roof of any building, or any part thereof, within the areas designated for that purpose.

8. No clothes, sheets, towels, blankets, laundry of any kind or other articles shall be hung out, shaken or exposed on or from doors, windows or railings, or any part of the Common Areas or Limited Common Areas, including without limitation balconies, terraces and decks. Under no circumstances shall laundry or other articles be placed or hung on the exterior portions of a Unit. The Common Areas and Limited Common Areas shall be kept clear of rubbish, debris and other unsightly materials.

9. No animals or pets shall be kept for commercial purposes nor be allowed to create or cause any disturbance or nuisance of any kind, and if an animal or pet does cause or create a nuisance or an unreasonable disturbance, said animal or pet shall be permanently removed from the Condominium Property within seven (7) days from the day the Owner receives written notice from the Association to remove the animal or pet. The Owner of any pet or animal shall be liable for any and all damage caused by such pet or animal to any part of the Condominium Property or injury to any other Owner, Occupant, guest, tenant, invitee or other person on the Condominium Property. The pet or animal Owner is responsible for the proper disposal and/or removal of pet or animal feces and other excrement. Pets and animals must be under the control of the Owner and kept on a leash at all times. No pets or animals shall be allowed in the pool areas at any time. Loud barking, singing, meowing or emitting other noise of or by a pet or animal in a Unit or Common Area or Limited Common Area is prohibited and shall be considered and treated as a public nuisance.

10. Designated walkways and paved areas shall be used at all times and shortcuts shall be avoided, both to prevent accidents and to preserve the appearance of planted areas. No motorized vehicle shall be operated on any walkway or other area except upon the driveways and parking areas designated for vehicular use. Motorcycles, motor bikes, motor scooters, recreational vehicles or other similar vehicles shall not be operated within the Property except for the purpose of ingress or egress or transportation, it being intended that said vehicles shall not be operated so as to annoy or disturb persons or endanger persons or property.

11. All persons using the swimming pool do so at their own risk, and the Association is not responsible for any accident or injury in connection with use of the pools or for any loss or damage to personal property. Persons using the pool areas agree not to hold the Association or its directors, officers, employees or agents liable for any actions of whatever nature occurring within the pool areas. The pool areas shall be used in accordance with such rules and regulations as shall from time to time be promulgated by the City of Gulf Shores, Alabama or Baldwin County, Alabama or by the Board of Directors of the Association.

12. Units may be leased or rented by the Unit Owners; and the rights of any tenant are hereby made subject to the power of the Association to prescribe reasonable rules and regulations relating to

the leasing or rental of a Unit and to enforce the same directly against a tenant or other occupant by the exercise of such remedies as the Board of Directors of the Association deems appropriate, including eviction. Each Unit Owner who shall lease or rent his Unit irrevocably empowers the Association or its managing agent to enforce the Rules and Regulations and to terminate the lease and evict any tenant or occupant who fails to comply with the Rules and Regulations. The Association, the Board of Directors or any agent thereof shall not become liable to any Unit Owner or any person who sublets a Unit, or other party, for any loss of rents or other damages resulting from the reasonable exercise of the provisions of this paragraph. Nothing to the contrary withstanding, a Unit Owner is primarily responsible for the acts or omissions of his family, tenants, guests, invitees or occupants. Individual rooms located within a Unit shall not be leased or rented. The minimum rental or leasing period is three (3) days. There shall be no on-site rental office on the Condominium Property. There shall be no mandatory rental pooling agreements that require Unit Owners to rent their Units or give a management firm control over Unit Owners' occupancy of Units. There shall be no restrictions on Unit Owners' occupancy of Units. The Association shall not provide rental services to Unit Owners, and the Association shall not profit or participate in the rental of Units.

13. The sidewalks, driveways and parking areas must not be obstructed or encumbered or used for any purpose other than ingress or egress, and for parking. Automobile parking spaces have been provided. No vehicle shall be parked in such a manner as to impede or prevent ready access to other parking areas. No parking space, driveway or other area shall be used for the storage or parking of any boat, boat trailer, house trailer, camper trailer or any other sort of towed vehicle or object. The Owners, their employees, servants, agents, visitors, Occupants and families shall obey the parking regulations posted on the private streets, parking areas and drives, and any other traffic regulations promulgated for the safety, comfort or convenience of the Owners. Washing of cars, boats and vehicles of any kind is prohibited.

UNIT OWNERS OR OCCUPANTS ARE PROHIBITED FROM CONSTRUCTING OR PLACING ANY TYPE STORAGE CLOSET, STORAGE BIN OR SIMILAR TYPE ITEM IN PARKING AREAS, WHICH ARE FOR PARKING MOTOR VEHICLES ONLY.

14. No one shall use or permit to be brought into any Unit or upon any of the Common Areas or Limited Common Areas and facilities any flammable oils or fluids such as gasoline, kerosene, naphtha, propane or benzene, or other explosives or articles hazardous to life, limb or property.

15. No wood-burning, charcoal, propane, gas or other non-electric outdoor grills or cooking equipment are allowed or permitted on balconies, terraces, decks or other Common Areas or Limited Common Areas or Private Elements, except as provided by Declarant or the Association in Common Areas.

16. In order for a Unit to maintain a climate which will prohibit or deter the development or infestation of mold or other types of fungus, the heating and air conditioning systems must be operating on a continuous basis with the proper or correct temperature being maintained within the Unit. The heating and air conditioning system should not be turned off or disconnected for any extended periods of time. The Owner and/or Occupant is responsible for maintaining a proper or correct temperature at all times including periods when the Unit is vacant, unfurnished or not being occupied.

In addition to the foregoing, each Owner/Occupant shall maintain appropriate climate control, keep his or her Unit clean, and take necessary measures to retard and prevent mold from accumulating in the Unit. Each Owner or Occupant shall be required to clean and dust the Unit on a regular basis and to remove visible moisture accumulation on windows, window sills, walls, floors, ceilings and other surfaces as soon as reasonably possible and must not block or cover any heating, ventilation or air-conditioning ducts. Unit Owners or Occupants shall report immediately in writing to the Association: (i) any evidence of water leaks or water infiltration or excessive moisture in the Unit, common hallways and any other Common Elements or Limited Common Elements; (ii) any evidence of mold that cannot be removed with a common household cleaner; (iii) any failure or malfunction in heating, ventilation or air conditioning; and (iv) any inoperable doors or windows, and each Owner shall be responsible for damage to the Unit and personal property as well as any injury to the Occupants of the Unit resulting from an Owner's failure to comply with these terms. Each Owner is fully responsible and liable for the entire amount of all cleaning expenses and remediation costs incurred by the Association to remove mold from the Unit if the Owner or Occupant fails to remedy same, and each Owner shall be responsible for the repair and remediation of all damages to the Unit caused by mold.

17. For the purpose of aesthetics and uniformity, all drapes or window treatments or the lining thereof which face the exterior of a window or other type of transparent opening, doorway or window and/or which can be seen or viewed from the exterior of the building shall be white and cannot contain a pattern or design. Any color other than white or any pattern must be approved in writing by the Board of Directors of the Association.

18. Each Owner shall keep such Owner's Unit in good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows or balconies thereof, any dirt or other substance. All garbage, trash and other refuse shall be securely bagged and properly disposed of by placing it into receptacles or containers designated for such purpose only at such times and in such manner as the Board of Directors of the Association may direct. No trash or other articles shall be burned, and all disposals shall be in accordance with such further rules and regulations as shall, from time to time, be promulgated by the Board of Directors of the Association.

19. Water closets or other water apparatus in the buildings shall not be used for any purposes other than those for which they were designed, nor shall any sweepings, rubbish, rags or other articles be placed in the same. Any damage resulting from misuse of water closets, tubs or other apparatus in the Units shall be repaired and paid for by the Owner of such Unit. Water shall not be left running for any unreasonable or unnecessary length of time. The wet bar ice maker should be turned off when the Unit is expected to be unoccupied for an extended period of time. Owners and Occupants shall report any leaking or running water to the Association.

20. The Association, its workers, employees, contractors or agents shall have the right of access to any Unit at any reasonable hour of the day upon adequate notice in advance (and at any time without notice for emergencies) for the purpose of making inspections, repairs, replacements or improvements, or to remedy any conditions which might result in damage to any portion of the Common Areas or Limited Common Areas, or for any purpose permitted under the Code of Alabama,

the Declaration, the Articles of Incorporation or the By-Laws of the Association. If the Association finds there are vermin, insects or other pests within any Unit, it may take such measures as it deems necessary to control or exterminate the same.

21. Persons using the facilities located in the Common Areas and Limited Common Areas do so at their own risk. The Association is not responsible for any accident or injury in connection with the use of the Common Areas or Limited Common Areas or for any loss or damage to personal property. Persons using the Common Areas and Limited Common Areas agree not to hold the Association or its directors, officers, employees or agents liable for any actions or injury of whatever nature occurring in or around the Common Areas or Limited Common Areas.

22. All persons using the private balcony of each Unit do so at their own risk. The Association is not responsible for any accident or injury in connection with use of the private balcony or for any loss or damage to personal property. Persons using the private balcony agree not to hold the Association or its directors, officers, employees or agents liable for any actions of whatever nature occurring within the private balcony.

23. Common Elements, or any portion thereof, including Limited Common Elements, may not be used for commercial activities or purposes other than as provided in the Declaration. Provided, however, the Association, through its Board of Directors, shall have the right to lease or rent, on terms and conditions satisfactory to the Board, portions of the Common Elements to Unit Owners to recoup, in whole or part, the costs for their lease or rent thereof. Except as otherwise provided by the Declaration, the Common Elements are not to be used for gain or profit by the Association or Unit Owners.

SWIMMING POOLS

24. Persons twelve (12) years of age or under must be accompanied at all times by an adult.

25. Except by prior agreement with the Board of Directors, the number of persons in any one group in a pool at any one time will not exceed the Occupants of the Unit plus four (4) guests.

26. Occupants of Units are responsible for the conduct of their guests at all times, and for the careful observance of all safety and sanitation precautions. A Unit Owner is responsible for the conduct of all Occupants, renters, invitees or guests. Any person having an apparent or known skin disease, sore or inflamed eyes, cough, cold, nasal or ear discharge, or any communicable disease shall be excluded from the pools.

27. No boisterous or rough play shall be permitted in the pools, or in the pool areas. Swimming alone when no other person is in the immediate pool areas is prohibited.

28. All persons are requested to cooperate in maintaining maximum cleanliness and tidiness in the swimming pool areas.

29. Tobacco, beverages, food or glassware are not to be brought into the pools, and no glassware shall be brought onto the pool areas, deck areas or terrace areas.

30. After 8:00 PM local time, use of the pools is reserved for persons nineteen (19) years of age or over. The pools will be closed from 10:00 PM to 8:00 AM local time, and during such other times and seasons as may be decided by the Board of Directors.

PETS AND ANIMALS

31. No pets or animals shall be allowed in the pool areas.

32. Pets and animals shall only be walked in the designated areas and then only when on a leash. The pet or animal Owner is responsible for the proper disposal and/or removal of pet or animal feces and other excrement.

33. Loud barking, singing, meowing or emitting other noise of or by a pet or animal in a Unit or Common Area is prohibited and shall be considered and treated as a public nuisance.

34. Pets and animals must be under the control of the Owner and kept on a leash at all times.

35. Written approval or consent must be obtained from the Board of Directors prior to bringing a pet or animal onto the Condominium Property. Association approval or consent may be terminated without cause at any time by the Board of Directors. Notwithstanding the foregoing, a Unit Owner shall be permitted to have two (2) dogs, each weighing no more than one hundred (100) pounds, provided said dogs are not in breach of the Rules and Regulations of the Association and Condominium Property.

36. No animal or pet shall be kept for commercial purposes nor be allowed to create or cause any disturbance or nuisance of any kind, and if an animal or pet causes or creates a nuisance or an unreasonable disturbance, said animal or pet shall be permanently removed from the Condominium Property within seven (7) days from the day the Owner receives the written notice from the Association to remove the animal or pet.

37. The Owner of any pet or animal shall be liable for any and all damage caused by such pet or animal to any part of the Condominium Property or injury to any other Owner, Occupant, guest, tenant, invitee or other person on the Condominium Property.

COMPLAINTS

38. Complaints regarding the management of the Condominium or actions of other Owners or persons shall be made in writing to the Board of Directors. The Association may assign to one or more persons, or to a manager, full responsibility for the enforcement of all or any one of these Rules and Regulations. Any complaint or dispute as to any of these Rules and Regulations, or as to any application or enforcement thereof, shall be made in writing to the Board setting forth the nature of the matter complained of, and the names of all parties aggrieved and/or charged by reason of such

matter. The Board may, in its sole discretion, resolve the complaint without a hearing. In the event the Board elects to have a hearing upon such complaint, not less than seven (7) days-notice thereof shall be given in writing to each person named in the complaint as aggrieved and/or charged, stating the date, time and place of such hearing. Proceedings before the Board shall be informal, without technical rules of evidence, and each party aggrieved and/or charged shall be entitled to be present in person, or by their attorney, and to be heard.

AMENDMENT AND ENFORCEMENT

39. Any consent or approval given under these rules by any person designated as manager or any person or committee designated as being responsible for the enforcement of any of these rules, and/or for the use of any Common Areas or facilities, shall be revocable at any time by the Board of Directors.

40. These rules are subject to amendment or cancellation by the Board of Directors and to the promulgation of further rules by the Board of Directors concerning the use and enjoyment of the Common Areas, Limited Common Areas and Units.

41. The foregoing Rules and Regulations shall not apply to the Declarant, its successors or assigns, until it has surrendered control of the Condominium or its control of the Condominium has been terminated in the manner set forth in the Code of Alabama, the Declaration, the Articles of Incorporation or the By-Laws of the Association.